



North Carolina Department of Health and Human Services

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Beverly Eaves Perdue, Governor

October 27, 2011

Lanier M. Cansler, Secretary

The Honorable Phil Berger
President Pro Tempore
North Carolina Senate
2007 Legislative Building
Raleigh, NC 27601

The Honorable Tom Tillis
Speaker of the House
North Carolina House of Representatives
2304 Legislative Building
Raleigh, NC 27601

Dear President Pro Tempore Berger and Speaker Tillis:

I trust that the presentation made this morning by Deputy Secretary for Health Services Mike Watson provided you the information needed to better understand why aggressive budget cuts mandated by the General Assembly's budget are unreasonable and unobtainable. The true nature of these cuts was pointed out to you in letters from Governor Perdue dated May 27, 2011 and June 2, 2011. Nonetheless, I had hoped to be able to reach these savings, and the Department has reached the point that it has done what it can do.

As requested by the General Assembly, a list of further cuts to services and provider rates to meet these aggressive reductions will be provided to you. These will be devastating cuts to North Carolina's medical providers and to our citizen's in need of these medical services.

Unless you provide different instructions, I will assume you support these drastic steps.

Sincerely,

A handwritten signature in black ink that reads "Lanier M. Cansler". The signature is fluid and cursive, with a large initial "L" and "C".

Lanier M. Cansler

